

ABSTRACT

The present invention provides a dynamic pricing system that generates pricing recommendations for each product in each market. In particular, the system normalizes historic pricing and sales data, and then analyzes this historic data using parameters describing the user's business objectives to produce a pricing list to achieve these objectives. The system uses historical market data to forecast expected sales according to a market segment, product type, and a range of future dates and to determine the effects of price changes on the forecasted future sales. The system further calculates unit costs for the product. The system then estimates profits from sales at different prices by using the sales forecasts, adjusting these sales forecasts for changes in prices, and the costs determinations. The system optionally optimizes prices given current and projected inventory constraints and generates alerts notices according to pre-set conditions.